

VZCZCXRO9648  
PP RUEHDBU  
DE RUEHKV #1444/01 1011525  
ZNY CCCCC ZZH  
P 111525Z APR 06  
FM AMEMBASSY KIEV  
TO RUEHC/SECSTATE WASHDC PRIORITY 8747  
INFO RUCNCIS/CIS COLLECTIVE  
RUEHZG/NATO EU COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 02 KIEV 001444

SIPDIS

SIPDIS

E.O. 12958: DECL: 04/11/2016  
TAGS: [PREL](#) [PBTS](#) [ENRG](#) [ETRD](#) [PINR](#) [OSCE](#) [MD](#) [BO](#) [RS](#) [UP](#)  
SUBJECT: UKRAINE: NSDC SECRETARY ON TRANSNISTRIA, BELARUS,  
RUSSIA

Classified By: Ambassador for reasons 1.4 (b,d).

11. (C) Summary: In an April 11 meeting, National Security and Defense Council (NSDC) Secretary Kinakh told Ambassador the Ukrainian government was concerned that Transnistrian authorities might provoke an armed confrontation at one of Transnistria's "border crossings" with Moldova. The Russians had agreed to a meeting of guarantors and observers (Ukraine, Russia, EU, and OSCE, but not Moldova and Transnistria) in Moscow, and Kinakh hoped the U.S. would join the April 19 meeting. Kinakh said he did not expect President Yushchenko to meet Belarusian President Lukashenka during commemorations of the April 26 twentieth anniversary of the Chornobyl disaster. (An MFA official separately confirmed Kinakh's understanding and committed to alert us if discussion of a meeting did start up again.) A new Ukrainian government was unlikely to annul the natural gas agreement with Russia, but attention would turn to an intergovernmental agreement governing Ukraine and Russia's energy relationship. The Ukrainian government was not considering imposing a tit-for-tat measure in response to Moscow's prohibition on the import of Ukrainian dairy products. End summary.

Transnistria -- April 19 Moscow Meeting  
-----

12. (C) NSDC Secretary Anatoliy Kinakh told Ambassador April 11 that the Ukrainian government continued closely to monitor the "serious" situation in Transnistria. Ukrainian Black Sea ports continued to lose revenue from the Transnistrian authorities' decision to close its borders in response to Ukraine's implementation of a customs agreement with Moldova.

With the exception of a handful of companies, Transnistrian leader Igor Smirnov continued to forbid Transnistrian companies from registering with the Moldovan government, leading to financial losses from their inability to export their product, but, Kinakh said, the Ukrainian government suspected Moscow of providing funds to compensate these losses. Without specifying his reasons for saying so, Kinakh said the Ukrainian government was concerned that the Transnistrian authorities might provoke an armed confrontation at Bender (the Moldova-Transnistria "border crossing" point on the rail line between Tiraspol and Chisinau).

13. (C) Kinakh said the key to resolving the present impasse lay in Moscow and also with the OSCE and the United States. Plans were moving forward to hold a meeting in Moscow April 19 of Ukraine, Russia, the EU, and OSCE. Kinakh said he hoped the U.S. would participate, and he confirmed the Russian government had agreed to the meeting. The meeting participants would discuss the issue of Russia's fulfillment of its Istanbul commitments and Transnistria's self-imposed economic blockade.

Belarus - No Presidential Summit  
-----

¶4. (C) On Belarus, Kinakh said there had been agreement in principle to hold a Ukraine-Belarus summit since the September 2004 CIS summit in Astana, Kazakhstan. These plans, however, had not been made concrete, and a meeting during April 26 commemorations of the 20th anniversary of the Chornobyl disaster was unlikely. In addition to the badly flawed presidential election, Belarusian President Lukashenka had taken a number of steps unfriendly to Ukraine recently. As an example, around April 6, he had sent Transnistrian leader Igor Smirnov a letter of support that promised to provide Transnistria with "humanitarian shipments." Kinakh agreed that this was probably at Moscow's bidding. Kinakh noted, in view of the high volume of trade between the two countries, that Ukraine would continue to endeavor to cooperate on the economic front with Belarus.

¶5. (C) Note: Later on April 11, MFA 2nd Territorial Department Director Anatoliy Ponomarenko separately told us there were no discussions ongoing concerning a possible meeting of the two presidents. He noted Ukraine had originally set two pre-conditions for such a meeting: 1) signing of a consular accord regarding visas for workers at Chornobyl and 2) signing of an agreement to permit transit of construction materials for the new Chornobyl Shelter Implementation Program. Belarus had not come back to the GOU on the agreements. Ponomarenko said MFA would let us know if discussions on a possible meeting began anew, but he was quite dubious that there would be any movement on the agreements or a meeting soon. Further on Belarus, Ponomarenko added MFA had asked Ukrainian Ambassador to the U.S. Oleh Shamshur April 10 to inform the Department that Ukraine was looking at the possibility of hosting an informal "donors" meeting on Belarus democracy in Kiev April 28-29.

KIEV 00001444 002 OF 002

Ponomarenko said the meeting would be modeled on a similar meeting held in Stockholm. End note.

Russia - Trade and Natural Gas Friction  
-----

¶6. (C) Kinakh said the trade war with Russia was continuing. Although Moscow had authorized six Ukrainian companies to export their dairy products to Russia, no resolution of the general prohibition was in sight. Beginning April 1, Russia had prohibited the import of Ukrainian alcoholic spirits. Russia, however, had been more flexible after Ukrainian officials warned Russia they would advise Ukrainian businesses to turn to pro-Russian political forces in Ukraine to overturn the embargo. Kinakh said the Ukrainian government had not really considered a tit-for-tat imposition of an embargo on Russian imports since such a move would merely aggravate the situation and the economic impact on Russia would be negligible.

¶7. (C) Kinakh said a new Ukrainian government was unlikely to seek to annul the January 4 Ukraine-Russia natural gas supply agreement. The focus of attention would instead turn toward the signing of an inter-governmental protocol defining Ukraine and Russia's obligations to one another in the energy field. Such a protocol would address the process of moving toward market prices not only for Russia's supply of natural gas to Ukraine but also for the transit of natural gas across Ukrainian territory. Unfortunately, the current agreement would not ensure the same gas price from Russia after July 1. The Russians were warning that the price had been predicated on supplies of Turkmen gas, which might not be available in the near future. In fact, Kinakh noted, Russian agreements with Central Asian countries gave Russia a virtual monopoly to supply Central Asian natural gas. Kinakh urged the USG to work with the EU and within the G-8 to obtain a Russian commitment to guarantee access to its energy transport system.

¶8. (U) Visit Embassy Kiev's classified website:  
[www.state.sgov.gov/p/eur/kiev](http://www.state.sgov.gov/p/eur/kiev).

